Smart card system

1954. SHRI SATISH PRADHAN:
SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRIMATI VANGA GEETHA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the Tenth Plan Working Group on Public Distribution system and Food Security has recommended introduction of smart-card system in the form of a credit or debit card instead of the existing ration cards to eliminate rampant corruption in PDS in the country;

(b) if so, the details thereof alongwith Government's response thereto;

(c) what steps have been taken or proposed to be taken in this regard; and

(d) the other recommendations made by the Working Group?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) to (c) Yes, Sir. The Tenth Plan Working Group of Planning Commission on Public Distribution System and Food Security has recommended that the feasibility of the system of food stamps or food credit cards (smart cards) may be examined.

A proposal to introduce smart cards on a pilot basis is under formulation. The Planning Commission has allocated an amount of Rs. 4.4 crores in the Annual Plan, 2002-2003 for the Pilot Project.

(d) The other major recommendations of the Working Group are as under:—

1. Quantum of total food subsidy to be provided, issue price of food grains, amount of food grains to be distributed per head, the

extent of subsidy involved in food stamps etc. should be decided by the State Governments.

2. There should be greater decentralization of operations relating to PDS. States should be free to procure cereals themselves, buy it from private traders or from FCI, and maintain buffer stocks.

3. The Centre would, however, continue to provide food subsidy. Based on the net consumer subsidy spent on providing food through the PDS the Central budget should make a provision for national food subsidy. This subsidy would be distributed among the States according to a prescribed formula.

4. In the long run the food subsidy should be confined to the population below the poverty line. However, for the present, while excess stocks of foodgrains exist in FCI godowns, cereals can be supplied under PDS to the APL population at a concessional rate as a temporary measure.

5. It is desirable that the central food subsidy be restricted to two main items only namely rice and wheat.

6. Sugar should be decontrolled and the system of levy on sugar should be discontinued. If the government desires to continue the sugar subsidy it must make an explicit budgetary provision.

7. The poor should be permitted to buy rations from PDS at more frequent intervals at least on a weekly basis. This issue has been addressed in the Public Distribution System (Control) Order 2001.

8. Procurement of foodgrains under relaxed specification of quality should be avoided in the future in the interests of well managed public distiribution system.

9. The government should discourage the use of ration cards for identification purpose. For the purpose of identification multi-purpose identity cards should be used as per the control order issued by the food department.

10. MSP should be at a level that protects the farmer against risk of losing money due to collapse of the price of the product. It should in most years be allow the market price.

11. Stabilization of cereals prices should continue to be one of the important objectives of food policy. This can be acheived through the operation of a buffer stock combined with timely intervention by the FCI in domestic markets and a liberal import-export policy for foodgrains.

Government funding for construction of godowns

1955. SHRI AHMED PATEL: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government funding is done for construction of godowns in the States to strengthen PDS;

(b) if so, the details thereof;

(c) the number of godowns which came up in Gujarat during the last five years under this pattern of funding, year-wise and district-wise and capacity thereof; and

(d) the authority who has the ultimate control over these godowns in the State?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN): (a) Yes, Sir.

(b) Under the Centrally Sponsored Scheme 'Construction of Godowns', financial assistance has been provided to the States/UTs for construction of small godowns upto a maximum capacity of 2000 metric tonnes to meet the requirement of the Public Distribution System. Under the scheme financial assistance is provided as 50% loan and 50 grants-in-aid. Godowns are to be constructed within two years of the sanction of the financial assistance.